



[4830-01-p]

DEPARTMENT OF THE TREASURY

Internal Revenue Service

Proposed Allowance of Information Collection Request Submitted for Public Comment; Information Reporting for Certain Life Insurance Contract Transactions

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Notice and request for comments.

SUMMARY: The Internal Revenue Service, as part of its continuing effort to reduce paperwork and respondent burden, invites the public and other Federal agencies to take this opportunity to comment on proposed and/or continuing information collections, as required by the Paperwork Reduction Act of 1995. Currently, the IRS is soliciting comments concerning the guidance for taxpayers regarding information reporting for certain life insurance contract transactions.

DATES: Written comments should be received on or before [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION OF THIS DOCUMENT IN THE FEDERAL REGISTER] to be assured of consideration.

ADDRESSES: Direct all written comments to Carolyn Brown, Internal Revenue Service, Room 6236, 1111 Constitution Avenue N.W., Washington, DC 20224. Requests for additional information or copies of the regulations should be directed to R. Joseph Durbala, at Internal Revenue Service, Room 6129, 1111 Constitution Avenue N.W., Washington DC 20224, or through the internet, at RJoseph.Durbala@irs.gov.

SUPPLEMENTARY INFORMATION:

Title: Information Reporting for Certain Life Insurance Contract Transactions.

OMB Number: 1545-New.

Regulation Project Number: Notice 2018-41, Form 1099-LS, Form 1099-SB.

Abstract: The collection covers the new information reporting requirements for certain life insurance contracts under new IRC 6050Y, which were added by the Tax Cuts and Jobs Act (TCJA).

The new reporting requirements apply to reportable death benefits paid and reportable policy sales made after Dec. 31, 2017. On April 26, 2018, the Internal Revenue Service provided transitional guidance delaying any reporting under IRC 6050Y until final regulations are issued. The transitional guidance provides taxpayers additional time to satisfy any reporting obligations arising prior to publication of final regulations.

Current Actions: The IRS described the new information reporting requirements for certain life insurance contracts under new IRC 6050Y, which were added by the Tax Cuts and Jobs Act. The new reporting requirements apply to reportable death benefits paid and reportable policy sales made after Dec. 31, 2017. As part of the guidance, however, the IRS provided transitional guidance delaying any reporting under IRC 6050Y until final regulations are issued.

This submission is being made to seek new approval as required in the Paperwork Reduction Act.

Type of Review: New collection.

Affected Public: Individuals or Households, Business or other for profit, Not for profit institutions.

Estimated Number of Respondents: 6,000.

Estimated Time Per Respondent: 7 min.

Estimated Total Annual Burden Hours: 720.

The following paragraph applies to all the collections of information covered by this notice:

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection of information displays a valid OMB control number.

Books or records relating to a collection of information must be retained if their contents may become material in the administration of any internal revenue law. Generally, tax returns and tax return information are confidential, as required by 26 U.S.C. 6103.

Desired Focus of Comments: The Internal Revenue Service (IRS) is particularly interested in comments that:

- Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the agency, including whether the information will have practical utility;
- Evaluate the accuracy of the agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- Enhance the quality, utility, and clarity of the information to be collected; and
- Minimize the burden of the collection of information on those who are to respond, including using appropriate automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., by permitting

electronic submissions of responses.

Comments submitted in response to this notice will be summarized and/or included in the ICR for OMB approval of the extension of the information collection; they will also become a matter of public record.

Approved: September 4, 2018.

R. Joseph Durbala,

IRS, Tax Analyst.

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